

Message Text

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PAGE 01 STATE 213883
ORIGIN IO-14

INFO OCT-01 ISO-00 AGRE-00 AID-05 EB-08 USIA-06
COME-00 TRSE-00 AF-10 ARA-10 EA-10 EUR-12 NEA-10
/086 R

DRAFTED BY IO/AGR:JSWOLF:DKS
APPROVED BY IO:DCOHN
IO/AGR:PJBYRNES
IO/DHP:CNORRIS
AID/IIA:PSALES
USDA/FAS:RPHILLIPS (SUBS)
-----004173 072242Z /21
P R 072114Z SEP 77
FM SECSTATE WASHDC
TO AMEMBASSY THE HAGUE PRIORITY
INFO AMEMBASSY ROME
USMISSION USUN NEW YORK

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ROME FOR FODAG

E.O. 11652: N/A

TAGS: EAGR, FAO

SUBJECT: FAO POST-HARVEST FOOD LOSSES FUND

1. THE DIRECTOR-GENERAL OF FAO (SAOUMA) HAS PROPOSED THE
CREATION OF A POST-HARVEST FOOD LOSSES (PHL) FUND OF
DOLLARS TWENTY MILLION. THE PHL PROGRAM WOULD FUND MODEL
PROGRAMS IN DEVELOPING COUNTRIES TO DEMONSTRATE THE SIGNI-
FICANT SAVINGS AVAILABLE BY REDUCING FOOD LOSSES BETWEEN
THE FIELD AND CONSUMER. THE U.S. STRONGLY SUPPORTS THE
CONCEPT OF REDUCING POST-HARVEST FOOD LOSSES, AND, IN FACT,
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PAGE 02 STATE 213883

IT WAS FORMER SECRETARY KISSINGER WHO WON THE ENDORSEMENT
OF THE 7TH SPECIAL SESSION OF THE UNGA (1975) OF A TARGET
OF CUTTING POST-HARVEST LOSSES BY 50 PERCENT BY 1985.

2. THE PROBLEM WE HAVE WITH SAOUMA'S PLAN IS THAT HE HAS
PROPOSED TO USE AS INITIAL FUNDING FOR THE PROGRAM DOLLARS
TEN MILLION FROM A SUSPENSE ACCOUNT ESTABLISHED FOR 1976/

1977 SOLELY FOR THE PURPOSE OF OFFSETTING LOSSES FROM CURRENCY FLUCTUATIONS. WE (AND MOST OTHER MAJOR DONORS INCLUDING THE DUTCH) BELIEVE THAT MONEY, WHICH HAS NOT RPT NOT BEEN NEEDED FOR CURRENCY FLUCTUATIONS, SHOULD NOW BE RETURNED TO THE GOVERNMENTS IN THE SAME MANNER AS FAO CUSTOMARILY, BY REGULATION, RETURNS ACCRUED MISCELLANEOUS INCOME. TO USE THE SUSPENSE ACCOUNT

FUNDS FOR PHL ACTIVITY WOULD ALSO CONTRADICT USG POLICY THAT MOST TECHNICAL ASSISTANCE SHOULD COME FROM VOLUNTARY AND NOT ASSESSED CONTRIBUTIONS.

3. WE HAVE PROPOSED IN OUR FY 1979 BUDGET TO DIRECT DOLLARS 3 MILLION TO THE FAO PHL FUND THROUGH UNDP. THIS IS CONSISTENT WITH U.S. POLICY ON USING VOLUNTARY CONTRIBUTIONS, REINFORCES THE CONCEPT OF UNDP AS A CENTRAL SOURCE OF FUNDING FOR MOST LARGE SCALE UN SYSTEM TECHNICAL ASSISTANCE, YET DEMONSTRATES OUR STRONG SUPPORT FOR THE PHL PROGRAM WHICH WE BELIEVE HAS MERIT. (OUR SHARE IN FUNDS THE DIRECTOR-GENERAL WISHES TO USE FROM THE SUSPENSE ACCOUNT WOULD EQUAL DOLLARS 2.5 MILLION.) WE HAVE ALSO APPROACHED UNDP INFORMALLY AND BELIEVE UNDP MAY BE WILLING TO MAKE A DOLLARS 3 MILLION MULTIYEAR CONTRIBUTION OF UNDP FUNDS TO FAO AS WELL. WE HAVE NOT DISCUSSED THIS PROPOSAL FORMALLY WITH SAOUMA AND HAVE LITTLE DOUBT HE WILL INITIALLY BE HESITANT. HOWEVER, LIMITED OFFICIAL USE

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PAGE 03 STATE 213883

WE DO FEEL HE CAN BE CONVINCED THAT SUCH A PROPOSAL IS THE BEST ASSURANCE OF STRONG AND CONTINUED MAJOR DONOR SUPPORT FOR THE PHL PROGRAM, PARTICULARLY IF THE DUTCH AND A FEW OTHER MAJOR DONORS WOULD JOIN US IN THIS APPROACH.

4. DURING GENEVA GROUP DISCUSSIONS IN ROME IN JUNE, THE DUTCH INDICATED THEIR WILLINGNESS TO CONSIDER A DOLLARS 3-5 MILLION VOLUNTARY CONTRIBUTION TO FAO FOR PHL ACTIVITY PROVIDED THE SUSPENSE ACCOUNT FUNDS WERE RETURNED TO GOVERNMENTS.

5. IO DEPUTY ASSISTANT SECRETARY FRANK SUBSEQUENTLY INFORMALLY DISCUSSED WITH AMBASSADOR VAN GORKOM (MFA) THE POSSIBILITY OF THE NETHERLANDS MAKING THIS CONTRIBUTION TO THE FAO PHL FUND VIA UNDP. DRAWING ON BACKGROUND PARA 1-3 ABOVE REQUEST EMBASSY TO APPROACH VAN GORKOM AND SEEK DUTCH AGREEMENT TO MAKE SUCH A CONTRIBUTION VIA THE UNDP. YOU MAY INDICATE THAT WE HAVE COME TO THE DUTCH FIRST BECAUSE OF THEIR STRONG INTEREST IN THE INTEGRITY OF CENTRAL FUNDING FOR UN TECHNICAL ASSISTANCE. IF THE DUTCH WILL SUPPORT THIS APPROACH WE WILL

ALSO BE IN CONTACT WITH OTHER MAJOR DONORS SUCH AS THE
UK, CANADA, FRG, NORDICS, FRANCE, AND JAPAN. WE HOPE
THE NETHERLANDS WILL JOIN US IN SUCH AN APPEAL. AN EARLY
RESPONSE IS IMPORTANT SINCE THE PHL FUNDING ISSUE MUST
BE DECIDED BY THE FORTHCOMING FAO CONFERENCE IN NOVEMBER.

6. FOR ROME. NO ACTION SHOULD BE TAKEN IN ROME ON THIS
MATTER AT THIS TIME. VANCE

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PAGE 01 STATE 213883
ORIGIN IO-04

INFO OCT-01 ISO-00 /005 R

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DRAFTED BY IO/AGR:JSWOLF:DKS

APPROVED BY IO/SA:MESWOPE

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P 210045Z SEP 77

FM SECSTATE WASHDC

TO AMEMBASSY BERN PRIORITY

AMEMBASSY BONN PRIORITY

AMEMBASSY BRUSSELS PRIORITY

AMEMBASSY CANBERRA PRIORITY

AMEMBASSY LONDON PRIORITY

AMEMBASSY OTTAWA PRIORITY

AMEMBASSY PARIS PRIORITY

AMEMBASSY STOCKHOLM PRIORITY

AMEMBASSY TOKYO PRIORITY

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FOL REPEAT STATE 213883 ACTION SECSTATE THE HAGUE INFO
ROME USUN DTD 7 SEP.

QUOTE

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6. FOR ROME. NO ACTION SHOULD BE TAKEN IN ROME ON THIS MATTER AT THIS TIME. VANCE

UNQUOTE VANCE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FUND ALLOTMENT, LESS DEVELOPED COUNTRIES, FOODS
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Copy: SINGLE
Sent Date: 07-Sep-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: JSWOLF:DKS
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
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Litigation History:
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Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
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Review Media Identifier:
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Review Release Event: n/a
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Review Withdrawn Fields: n/a
SAS ID: 1357920
Secure: OPEN
Status: NATIVE
Subject: FAO POST-HARVEST FOOD LOSSES FUND
TAGS: EAGR, FAO
To: THE HAGUE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/32254a4b-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009